DELAWARE COUNTY IOWA
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BOOK 2000 PAGE 1193
DEBORAH L. PEYTON
DELAWARE CO. RECORDER
4.00

PREPARER INFORMATION: Dan McClean, 401 First Ave. East, Dyersville, Iowa 319-875-7534

AFFIDAVIT OF FAIR DEALING

STATE OF IOWA)
) ss:
COUNTY OF DUBUQUE)

We, Allan Leo Ertl and Susan L. Steffen-Ertl, being first duly sworn, on oath, depose and say:

1. That we are the same individuals who made, executed, and delivered the certain Quit Claim Deeds, copies of which are attached hereto and marked as Exhibits A and B, being even date herewith, conveying the following described property, to-wit:

Lot Five (5), Block Two (2), Sunset Heights No. 1 in the City of Dyersville, Delaware County, Iowa, according to plat recorded in Book 7 Plats, Page 90;

Lot One (1), Block Two (2), Lot One (1), Block Three (3), in Sunset Heights No. 1 in the City of Dyersville, Delaware County, Iowa, according to Plat Recorded in Book 7 Plats, Page 90; also Lots One (1), Two (2), Three (3) and Lot B of Sunset Heights No. 3, Dyersville, Delaware County, Iowa, according to plat recorded in Book 8 Plats, Page 148; and

2. That the aforesaid documents were intended to be and are absolute conveyances of the title to said property to the grantee named therein and were not and are not now intended as a mortgage, trust conveyance, or other security of any kind, that it was the intention of the affiants as grantors in said deeds to convey, and by said deeds these affiants do convey to the grantee named therein, all their right, title, and interest absolutely in and to said property; that possession of said property has been surrendered to the grantee.

3. That in the execution and delivery of said documents affiants were not acting under any misapprehension as to the effect thereof and acted freely and voluntarily and were not acting under coercion or duress.

4. The aforesaid deeds were not given as a preference against any other creditor of the deponents, that at the time they were given there was no other person or persons, firms or corporations, other than the grantee herein named, interested either directly or indirectly in said property, and the deponents are solvent and have no other creditors whose rights would be prejudiced by such conveyanace, and the deponents are not obligated under any bond or other mortgage whereby any lien has been created or exists against the property described in said deeds.

5. That the consideration for said deeds was the full cancellation of all debts, obligations, costs, and charges existing under and by virtue of certain Mortgages executed by and between Allan Leo Ertl and Susan L. Steffen-Ertl, husband and wife, as Mortgagors, and Prairie City Bank n/k/a F & M Bank, as Mortgagee, as follows: Mortgage dated August 12, 1994 and recorded on August 17, 1994 in Book No. 36, of T.L.M., at Page 99; Mortgage dated May 15, 1995 and recorded on May 18, 1995 in Book 37 of T.L.M. at Page 289; and Mortgage dated February 14, 1995, acknowledged the 15th day of May, 1995 and recorded on May 18, 1995 in Book 37 of T.L.M. at Page 290; all in the Office of the Recorder of Delaware County, Iowa, and that at the time of making said deeds of sale, affiants believed and now believe that the aforesaid consideration represents the fair market value of the property so deeded.

6. This Affidavit is made for the protection and benefit of the grantee in said deeds, its successors, and assigns, and all other parties hereafter dealing with or who may acquire interest in the property herein described.

7. The affiants understand and agree that F & M Bank is foregoing any right to deficiency following sale of said real property.

8. That, contingent upon the above Quit Claim Deeds being conveyed to F & M Bank by April 15, 2000, F & M Bank will grant the following options to Allan Leo Ertl and Susan L. Steffen-Ertl:

A. An option to purchase Lot One (1), Block Three (3) in Sunset Heights No. 1 in the City of Dyersville, Delaware County, Iowa, according to Plat Recorded in Book 7 Plats, Page 90, for the sum of Eighteen Thousand Five Hundred Dollars ($18,500.00). This option will expire on July 1, 2000. Should Allan Leo Ertl and Susan L. Steffen-Ertl wish to exercise this option, they need to notify F & M Bank and provide payment to them prior to July 1, 2000. Upon receipt of payment, F & M Bank will provide a deed to them for said

real estate.

B. An option to purchase the following real estate for the sum of Ninety-Seven Thousand Dollars ($97,000.00):

Lots Five (5), Six (6), Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11) and Twelve (12) of Sunset Heights No. 2, Comprised of Part of the SE-NE and Part of the NE-SE Section 25, T89N, R3W of the 5th P.M., Delaware Co., Iowa, according to plat recorded in Book 7 Plats, Page 112; and

Lot Seven (7), Block One (1), Sunset Heights No. 1 in the City of Dyersville, Delaware County, Iowa, according to plat recorded in Book 7 Plats, Page 90.

This option will expire on July 1, 2000. Should Allan Leo Ertl and Susan L. Steffen-Ertl wish to exercise this option, they need to notify F & M Bank and provide payment to them prior to July 1, 2000. Upon receipt of payment, F & M Bank will provide a deed to them for said real estate.

C. An option of right of first refusal to purchase all lots in Sunset Heights Nos. 1, 2 and 3 and any property not platted as lots. Should F & M Bank receive an offer from a third party to purchase any of said real estate, and be willing to sell said real estate for the purchase price stated in the offer, F & M Bank shall notify Allan Leo Ertl and Susan L. Steffen-Ertl of the offer and their right to purchase the real estate for the purchase price offered by the third party. Allan Leo Ertl and Susan L. Steffen-Ertl must notify F & M Bank within five (5) days from the date that they were notified to exercise their option. If they decide to purchase the real estate, they must purchase it for the same amount as the offer of the third party and make a ten percent (10%) cash down payment, as non-refundable earnest money, within five (5) days from the date they were notified of their right to exercise this option. The balance of the purchase price must be paid within thirty (30) days of the date that they were first notified.

9. That affiants will testify, declare, depose, or certify before any competent tribunal, officer, or person in any case now pending or which may hereafter be instituted to the truth of the particular facts hereinabove set forth.

Allan Leo Ertl
Allan Leo Ertl

Susan L Steffen-Ertl
Susan L Ertl
Susan L. Steffen-Ertl

Subscribed and sworn to before me by Allan Leo Ertl and Susan L. Steffen-Ertl on this 14th day of April, 2000.

MARILYN FORTMANN
MY COMMISSION EXPIRES
1-8-2002

Marilyn Fortmann
Marilyn Fortmann
Notary Public in and for the State of Iowa

I, Senior Vice-President of the Prairie City Bank, n/k/a F & M Bank, have read over the foregoing and, upon the execution of the above stated agreement by Allan Leo Ertl and Susan L. Steffen-Ertl and the signing of the Quit Claim Deeds which are hereto attached, do hereby agree to the content of the prior Affidavit and hereby agree that, in exchange for said deeds and the signing of this agreement, that the Prairie City Bank, n/k/a F & M Bank, does hereby discharge and cancel any and all debts and obligations, costs and charges existing under and by virtue of any mortgages or indebtedness executed by and between Allan Leo Ertl and Susan L. Steffen-Ertl, husband and wife, to the Prairie City Bank, n/k/a F & M Bank, including those which are listed in the foregoing Affidavit.

Dated this 14th day of APRIL, 2000 at DYERSVILLE, IA.

PRAIRIE CITY BANK, n/k/a F & M Bank

By: _____
Thomas J. Lynn, Senior Vice-President

STATE OF Iowa)
) ss:
COUNTY OF Dubuque)

On this 14th day of April, 2000, before me, the undersigned, a Notary Public in and for said State, personally appeared Thomas J. Lynn, to me personally known, who being by me duly sworn, did say that he is the Senior Vice-President of the corporation executing the within and foregoing instrument; ~~that the seal affixed hereto is the seal of the corporation~~; that the instrument was signed and sealed on behalf of the corporation by authority of its Board of Directors, and that Thomas J. Lynn, as such officer, acknowledged the execution of the foregoing instrument to be the voluntary act and deed of the corporation, by it and by him voluntarily executed.

Marilyn Fortmann
Marilyn Fortmann, Notary Public

MARILYN FORTMANN
MY COMMISSION EXPIRES
1-8-2002

EXHIBIT A

THE IOWA STATE BAR ASSOCIATION
Official Form No. 106

Dan McClean ISBA # 7631

FOR THE LEGAL EFFECT OF THE USE OF THIS FORM, CONSULT YOUR LAWYER

Preparer Information Dan McClean, 401 First Avenue East, Dyersville, IA 52040, (319) 875-7534
Individual's Name | Street Address | City | Phone

Address Tax Statement: F & M Bank, 300 E. Blackhawk Avenue, Prairie du Chien, WI 53821

SPACE ABOVE THIS LINE FOR RECORDER

QUIT CLAIM DEED

For the consideration of Ten Dollar(s) and other valuable consideration,
Allan Leo Ertl and Susan L. Steffen-Ertl, Husband and Wife,

do hereby Quit Claim to
Prairie City Bank n/k/a F & M Bank

all our right, title, interest, estate, claim and demand in the following described real estate in Delaware County, Iowa:

Lot Five (5), Block Two (2), Sunset Heights No. 1 in the City of Dyersville, Delaware County, Iowa, according to Plat Recorded in Book 7 Plats, Page 90.

Exempt from Declaration of Value and Groundwater Hazard Statement - Exemption #17 applies - conveyance of real estate to lienholder in lieu of forfeiture or foreclosure.

Each of the undersigned hereby relinquishes all rights of dower, homestead and distributive share in and to the real estate.

Words and phrases herein, including acknowledgment hereof, shall be construed as in the singular or plural number, and as masculine or feminine gender, according to the context.

Dated: April 14, 2000

Allan Leo Ertl (Grantor)

Susan L. Steffen-Ertl (Grantor)

(Grantor)

(Grantor)

(Grantor)

(Grantor)

STATE OF IOWA, ss:
DUBUQUE COUNTY,

On this 14th day of April, 2000, before me, the undersigned, a Notary Public in and for said State, personally appeared Allan Leo Ertl and Susan L. Steffen-Ertl, Husband and Wife,

to me known to be the identical persons named in and who executed the foregoing instrument and acknowledged that they executed the same as their voluntary act and deed.

Marilyn Fortmann
Marilyn Fortmann
Notary Public

MARILYN FORTMANN
MY COMMISSION EXPIRES
1-8-2002

(This form of acknowledgment for individual grantor(s) only)

(Grantor)

EXHIBIT B

THE IOWA STATE BAR ASSOCIATION
Official Form No. 106

Dan McClean ISBA # 7631

FOR THE LEGAL EFFECT OF THE USE OF THIS FORM, CONSULT YOUR LAWYER

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Individual's Name | Street Address | City | Phone

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Dated: April 14, 2000

Allan Leo Ertl (Grantor)

Susan L. Steffen-Ertl (Grantor)

(Grantor)

(Grantor)

(Grantor)

(Grantor)

(Grantor)

STATE OF IOWA, ss:
DUBUQUE COUNTY,

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to me known to be the identical persons named in and who executed the foregoing instrument and acknowledged that they executed the same as their voluntary act and deed.

Marilyn Fortmann
Marilyn Fortmann
Notary Public

MARILYN FORTMANN
MY COMMISSION EXPIRES
1-8-2002

(This form of acknowledgment for individual grantor(s) only)